

**OPINION
53-64**

April 28, 1953 (OPINION)

INSTITUTIONS

RE: Manufacture of Motor Vehicle Plates

This is in reply to your letter of April 28, wherein you state the following question:

"I would like an opinion as to whether or not we may loan tag plant equipment to some other processing plant so as to enable said plant to make license plates for the Motor Vehicle Department of the state of North Dakota.

"Our tag plant was destroyed by fire some weeks ago. We are planning the construction of a new building and have selected the equipment for the new plant. We will not be in a position to process license plates in our plant for several months.

"Mr. Baska, our tag plant superintendent, has checked over the dies on hand and finds that they can be used.

"The original contract for license plates for the year 1953 was completed and delivered by us. However, the department will require another 25,000 plates of various kinds before the end of the year.

"We will appreciate your opinion, therefore, as to whether or not this institution can loan its die equipment to some other manufacturer, either in or out of the state of North Dakota; and with or without collecting or designating a rental value for the use of said die equipment."

Section 39-0411 of the North Dakota Revised Code of 1943, provides for the furnishing of number plates by the motor vehicle department, section 39-0412 provides for the design and issue of number plates, and section 39-0414 specifies what the number plates shall contain. Section 12-4812, North Dakota Revised Code of 1943, authorizes the board of administration to employ the labor of the inmates of the penitentiary in the manufacture of automobile license plates. Section 12-4812 provides for deposit of funds received from the sale of license plates with the state treasurer and how said funds shall be credited and used. Chapter 91 of session laws of 1951 appropriates a sum of money for the tag and sign plant and the coffin factory at the penitentiary, for the current biennium which will end June 30, 1953, which sum is to be used for "maintenance and operation".

No provision of statute above cited or otherwise requires that license tags be manufactured at the penitentiary; such manufacture is merely authorized. In the current situation, there is nothing in our law which prohibits you from loaning your die equipment. You have to meet the current emergency situation you cite, arising out of the

fire at the tag plant. There is no provision of law prohibiting you from lending the die equipment of the plant to another manufacturer in order to have made the additional 25,000 plates which you anticipate will be required before the end of the year. Neither is there anything prohibiting you from designating and collecting a rental value for the use of said die equipment. Any funds collected as such rental, however, would have to be disposed of as provided by section 12-4813 cited above.

It is, therefore, our opinion that you may loan the die equipment to another manufacturer for the purpose stated and may collect rental for such use, disposing of the funds as above mentioned.

ELMO T. CHRISTIANSON

Attorney General